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# TOO GOOD TO BE TRUE....

## A Column on Consumer Issues

by Attorney General Wayne Stenehjem's  
Consumer Protection and Antitrust Division

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### Top Ten Consumer Scams – 2003 – Part 2.

Last week this column explained five of the top ten scams and complaints filed with the Consumer Protection Division by North Dakota consumers in 2003. The remaining five complaints are reviewed below:

6. **Computer:** It is important to do some research before purchasing a computer. While it may be less costly to purchase from a computer magazine or outlet store, consideration should be given to future needs such as tech support and possible repairs. Many computer stores will not do service or repair work on computers unless the computer was purchased from that store.

Internet services also produced consumer complaints, ranging from unexpected costs assessed for long distance connections to problems with making on-line purchases. Before shopping on-line, make sure the company is reputable and remember to check that the site is secure before entering credit card or other financial information.

7. **Magazine Subscriptions:** Some magazine telemarketers trick consumers into paying hundreds of dollars for multi-year subscriptions to magazines they do not want or cannot afford. The telephone sales pitch can be so slick that many consumers do not even know they have bought magazines until the bill arrives.

North Dakota's home solicitation sales law gives consumers three days to cancel a contract when a seller has contacted the consumer over the telephone or away from the seller's normal place of business. People over the age of 65 have 15 days to cancel. This cancellation notice must be given to the consumer orally at the time of the sale, and also in writing, for the contract to be legally binding. The three-day or 15-day right to cancel begins after the consumer receives the written agreement. Unless you have received both written and oral notice of the right-to-cancel you probably do not have a binding contract and you may not be obligated to pay the subscription fee.

8. **Automobile:** Auto repair and used car purchases caused the majority of complaints in this category. Consumers should be aware that North Dakota's "lemon law" **does not apply to used vehicles**. Before buying a used car, you should have it checked by a trusted mechanic for any major defects or repairs the car may need now or in the near future, check car buying guidebooks and consumer magazines for information on performance, and, for a small fee, obtain a complete history of the vehicle from [www.carfax.com](http://www.carfax.com). And remember, there is no three-day right to cancel on new or used car purchases.

When taking your vehicle in for repair, it is important to get a written estimate for the repairs, and to tell the repairman to call you before performing any additional repairs.

9. **Home Improvement:** The Consumer Protection Division received complaints about home improvement and repair scams involving many areas of the home—from roofing or siding to fencing and paving. Consumers should be particularly cautious of door-to-door contractors offering to make repairs to the home or business. If a person comes to the door offering to do home repairs, ask to see his or her “transient merchant’s license,” required by state law. Before agreeing to have any work done, it is a good idea to get written estimates from several contractors and check their work by contacting local references. Finally, check with the Secretary of State’s Licensing Division to determine if the contractor is licensed. The Licensing Division’s phone number is 701-328-3665 or toll free at 1-800-352-0867.
10. **Sweepstakes:** Consumers receive a letter or phone call with an offer to participate in a contest, but are required to pay taxes or service charges, or order something to “qualify.” The consumers are likely to get more than they bargained for: more promotions in the mail, more telemarketing calls, and more unsolicited commercial email. This occurs because the prize promoters sell the information to advertisers. The most important rule to follow in this case is: *you do not have to buy something – or pay a fee – to “win” a prize.*

Sweepstakes complaints against Publishers Clearing House were settled when the company agreed to make certain disclosures on their sweepstakes solicitations and paid refunds to consumers who met certain qualifications.

North Dakota law requires sweepstakes companies to disclose the odds of winning. Sweepstakes companies cannot require a purchase and must provide instructions on how to enter the contest without buying or paying anything.

*The Attorney General’s Consumer Protection Division investigates allegations of fraud in the marketplace. Investigators also mediate individual complaints against businesses. If you have a consumer problem or question, call the Consumer Protection Division at 328-3404, toll-free at 1-800-472-2600, or 1-800-366-6888 (w/TTY). This article and other consumer information is located on our website at [www.ag.state.nd.us](http://www.ag.state.nd.us).*

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